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PTQ2318

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ACTION WHA-00

INFO	LOG-00	MFA-00	NP-00	AID-00	CEA-01	CIAE-00	COME-00
	CTME-00	DODE-00	DOEE-00	DOTE-00	PERC-00	SRPP-00	DS-00
	EB-00	EXIM-01	E-00	FAAE-00	VC-00	FRB-00	H-01
	TEDE-00	INR-00	ITC-01	LAB-01	L-00	CAC-00	VCE-00
	AC-01	NSAE-00	OCS-03	OMB-01	OPIC-01	PA-00	PM-00
	PRS-00	ACE-00	P-00	SP-00	IRM-00	SSO-00	SS-00
	STR-00	USIE-00	PMB-00	DSCC-00	PRM-00	DRL-02	G-00
	NFAT-00	SAS-00	/013W				

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O 091131Z JAN 03
 FM AMEMBASSY CARACAS
 TO SECSTATE WASHDC IMMEDIATE 9476
 INFO AMEMBASSY BOGOTA
 AMEMBASSY BRASILIA
 AMEMBASSY LA PAZ
 AMEMBASSY LIMA
 AMEMBASSY MEXICO
 AMEMBASSY QUITO
 USCINCSO MIAMI FL
 NSC WASHDC
 DEPT TREAS WASHDC
 USINT HAVANA

C O N F I D E N T I A L SECTION 01 OF 02 CARACAS 000074

STATE ALSO FOR DS/IP/WHA, S/ES-O/DS, AND DS/DSS/ITA
 NSC FOR LLORENS

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 SOUTHCOM ALSO FOR POLAD
 TREASURY FOR OASIA AARON JONES
 STATE PASS USAID FOR DCHA/OTI - RON ULLRICH AND RUSSELL
 PORTER

E.O. 12958: DECL: 01/10/2013
 TAGS: ECON, PGOV, EFIN, ASEC, CASC, VE
 SUBJECT: VENEZUELA'S GENERAL STRIKE: LOOKING FOR NEW
 WEAPONS

REF: CARACAS 0028

CLASSIFIED BY: AMBASSADOR CHARLES S. SHAPIRO: REASON 1.5(B), (D).

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SUMMARY

1. (C) AS VENEZUELA'S GENERAL STRIKE ENTERED ITS THIRTY-EIGHTH DAY ON JANUARY 8, AN INCREASING NUMBER OF BUSINESSES HAVE OPENED THEIR DOORS. OPPOSITION LEADERS AND STRIKE ORGANIZERS ARE SEARCHING FOR NEW STRATEGIES TO AVOID LOSING MORE MOMENTUM. PUBLIC SCHOOLS OFFICIALLY RE-OPENED ON JANUARY 6 (THOUGH CLASSES DID NOT RESUME UNTIL THE 7TH BECAUSE THE 6TH WAS A HOLIDAY), AND ATTENDANCE WAS DESCRIBED AS "SPOTTY," AS PARENTS KEPT CHILDREN HOME FOR A VARIETY OF REASONS. THE FEDERATION OF BANK EMPLOYEES ANNOUNCED A 48 HOUR WORK STOPPAGE, AND TRANSPORTATION UNIONS ANNOUNCED THAT BUS AND SUBWAY LINES WOULD GO ON STRIKE BEGINNING JANUARY 13. ALTHOUGH ECONOMISTS AND BUSINESSES ALL EXPRESS SKEPTICISM ABOUT THE VIABILITY OF "FISCAL DISOBEDIENCE" (I.E; A TAX
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STRIKE), THE OPPOSITION LEADERSHIP CONTINUES TO EMPHASIZE THE NEW STRATEGY, AND ON JANUARY 7 MARCHED ON THE TAX AND CUSTOMS AGENCY OFFICES, WITH A NEW RALLYING CRY --"NOT ONE MORE BOLIVAR."

SCHOOLS ARE OPEN, SOME CHILDREN ATTENDED

2. (U) JANUARY 6 MARKED THE OFFICIAL RESUMPTION OF CLASSES FOR SCHOOLCHILDREN AFTER THE CHRISTMAS BREAK. BECAUSE JANUARY 6 IS TRADITIONALLY A HOLIDAY, MOST SCHOOLS REMAINED CLOSED. WHILE MANY PUBLIC SCHOOLS DID OPEN THEIR DOORS ON JANUARY 7, TEACHERS REPORTED THAT MANY CLASSROOMS WERE NEARLY EMPTY AS PARENTS KEPT THEIR CHILDREN HOME, EITHER DUE TO GASOLINE SHORTAGES, SAFETY CONCERNS, OR IN SOME CASES AS A SHOW OF SOLIDARITY WITH THE ONGOING STRIKE. PRESIDENT OF THE CONFEDERATION OF VENEZUELAN WORKERS AND OPPOSITION LEADER CARLOS ORTEGA STATED THAT 85 PERCENT OF CHILDREN STAYED HOME. OCTAVIO DELAMO, PRESIDENT OF THE VENEZUELAN CHAMBER OF PRIVATE SCHOOLS, ANNOUNCED ON JANUARY 8 A MODIFIED CALENDAR WHICH ENVISIONS A RESUMPTION OF CLASSES BEFORE FEBRUARY 2 AND WILL EXTEND THE SCHOOL YEAR UNTIL JULY 30, WITH CLASSES BEING HELD TWO SATURDAYS EACH MONTH. MANY UNIVERSITIES HAVE SO FAR DECLINED TO ANNOUNCE A DATE FOR THE RESUMPTION OF CLASSES.

A REAL BANK STRIKE FOR 48 HOURS

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3. (C) ON JANUARY 7, REPRESENTATIVES OF THE NATIONAL BANKING
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COUNCIL MET WITH PRESIDENT CHAVEZ, CENTRAL BANK PRESIDENT
DIEGO CASTELLANOS, AND SUPERINTENDENT OF BANKS IRVING OCHOA
AND INFORMED THEM THEY WOULD DISREGARD A SUPERINTENDENCY
DECLARATION ORDERING BANKS TO RESUME NORMAL HOURS OF
OPERATION. ON JANUARY 8, JOSE ELIAS TORRES, PRESIDENT OF THE
FEDERATION OF BANK EMPLOYEES (FETRABANCA) ANNOUNCED ITS
DECISION TO JOIN THE STRIKE FOR 48 HOURS BEGINNING THURSDAY,
JANUARY 9. BANK WORKERS WILL NOT RE-STOCK AUTOMATIC TELLER
MACHINES DURING THE STRIKE, INCREASING ITS IMPACT. WHILE
RUMORS OF A MORE PROLONGED ADHERENCE TO THE STRIKE PERSIST,
TORRES SAID IN HIS PRESS CONFERENCE THAT BANK EMPLOYEES WOULD
BE BACK ON THE JOB MONDAY, JANUARY 13 WORKING THE LIMITED
9:00 AM - 12:00 PM SCHEDULE THAT HAS BEEN IN EFFECT SINCE
DECEMBER 10.

CLINGING TO THE IDEA OF FISCAL DISOBEDIENCE

4. (C) WHILE SUPERMARKETS ANNOUNCED THAT THEY WOULD, DESPITE
THE OPPOSITION CALL FOR "FISCAL DISOBEDIENCE," CONTINUE TO
COLLECT VALUE ADDED TAX AND THE BANKING SECTOR ANNOUNCED IT
WOULD EFFECTIVELY BE UNABLE TO CUT OFF PAYMENTS OF THE
BANKING TRANSACTION TAX, OPPOSITION LEADERS ORGANIZED A MARCH
ON THE OFFICES OF THE NATIONAL TAX AND CUSTOMS SERVICE

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(SENIAT). THE MARCHERS' SLOGAN, "NOT ONE MORE BOLIVAR," IS
THE LATEST RALLYING CRY OF THE OPPOSITION. SENIAT, FOR ITS
PART, HAS BEGUN AN INFORMATION CAMPAIGN REGARDING THE
REPERCUSSIONS FOR NOT PAYING TAXES. PRESIDENT CHAVEZ HOTLY
CRITICIZED THE OPPOSITION CALL FOR A TAX STRIKE, REMINDING
THE NATION JANUARY 7 THAT TO WITHHOLD TAX PAYMENTS IS A CRIME
AGAINST THE PEOPLE. (COMMENT: ECONOMISTS ESTIMATE THE GOV
HAS ALREADY LOST NEARLY 80 PERCENT OF TAX REVENUE AS A RESULT
OF THE STRIKE (REFTEL).

B1

TRANSPORT UNIONS TO REVISIT THE STRIKE

5. (U) ON JANUARY 8, UNIONS FROM ALL SECTORS RELATED TO
TRANSPORTATION, INCLUDING LAND, SEA, AND AIR TRANSPORT, MET
TO DISCUSS THE POSSIBILITY OF IMPOSING A NATIONWIDE
TRANSPORTATION STRIKE. FOLLOWING THE MEETING, PEDRO LUIS
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ZAMBRANO OF THE FEDERATION OF TRANSPORTATION WORKERS
(FETRATRANSPORT) ANNOUNCED THAT BUSLINE AND SUBWAY WORKERS
WOULD MEET JANUARY 13 TO DECIDE WHETHER OR NOT TO JOIN THE
STRIKE. THE ANNOUNCEMENT DID NOT CLARIFY IF THE PROPOSAL WAS
FOR AN INDEFINITE STRIKE, NOR DID IT CLARIFY IF OTHER
TRANSPORTATION SECTORS WOULD JOIN THE STOPPAGE.

COMMENT

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